

*Aatmanirbhar Gujarat Scheme for
assistance to Mega Industries*

Government of Gujarat
Industries & Mines Department
Resolution No. MIS-102022-1271(3)-I
Sachivalaya, Gandhinagar.
Dated 5/10/2022

Read:

1. GR of Industries and Mines Department No. MIS-102020-327024-I Dt. 01/09/2020

Preamble

As India completes 75 years of Independence with "Azadi ka Amrit Mahotsav" and the Nation gears towards the next milestone of 100 years of Independence in 2047, Hon'ble Prime Minister of India has laid down a clear vision of an Aatmanirbhar Bharat. This envisions an India with a reduced import dependence and at the same time strategically placed in global supply chains.

In order to facilitate the same, the Central and State Governments have been undertaking various initiatives. This includes undertaking reforms for ease of doing business, reduction in compliance norms, relaxation of FDI limits etc. To enable companies to achieve economies of scale and facilitate building of "Global champions", the Central Government has also rolled out PLI schemes for a range of sectors. This is supported by an integrated infrastructure development plan under the PM Gati Shakti Plan National Masterplan for multi-modal connectivity envisioning seamless connectivity for movement of people, goods and services from one mode of transport to another.

Such large projects also have multiplier effects on the economy generating their own ecosystem of ancillary MSMEs, logistics and other services and thus provide large scale employment opportunities to the youth.

An important factor for "Aatmanirbhar Bharat" is achieving "Energy Independence". Hon'ble Prime Minister of India at Glasgow COP 26 Summit has announced India's target for Net Zero by 2070 and 50% share of renewable energy in electricity by 2030 and reduction in country's emissions intensity by at least 45% by 2030 from the 2005 levels. Central Government has already launched several initiatives in line with



the same including Faster Adoption and Manufacturing of Electric Vehicles (FAME) policy, PLI schemes for ACC & electrolyzer and the National Hydrogen Policy.

Gujarat is a cradle of new entrepreneurial ideas and is also amongst the most industrialized states in India, with the highest contribution to the national manufacturing output. Also, the state is amongst the leading producers of renewable power in India. Hence, the Government of Gujarat has envisioned to become a leading contributor to the vision of "Aatmanirbhar Bharat" by envisaging an "Aatmanirbhar Gujarat".

With this background, introduction of a scheme for giving incentives to Mega industrial projects in the manufacturing sector was under consideration of the Government. After careful consideration, the Government is pleased to introduce a scheme to provide incentives to Mega projects towards achieving an "Aatmanirbhar Gujarat" for an "Aatmanirbhar Bharat".

The scheme will go on to strengthen the overall industrial ecosystem in the State and also enable larger set of manufacturing companies to emulate adoption of clean energy and make them future-ready for competing in global markets.

Resolution:

The Scheme will be known as Aatmanirbhar Gujarat Scheme for assistance to Mega Industries. It will come into force from 5/10/2022 and will remain operative for a period of ten years i.e. 4/10/2032. (Operative Period)

1. Definitions:

1.1 Industrial Undertaking: Industrial Undertaking means a legal entity such as company, partnership firm including LLP, society, trust, industrial cooperative society, or proprietary concern engaged or to be engaged in the manufacture, production, processing or job work of articles.

1.2 Mega Industrial Unit: A mega industrial unit means an industrial undertaking in thrust sectors having investment in Plant and machinery of at least INR 2,500 crore, AND which provides direct employment to atleast 2500 persons.

The Mega industrial unit must have obtained acknowledgement/ registration, as the case may be from DPIIT



1.3 Thrust Sector: Thrust sector means the sector which is most potential sector and needs additional support to make them viable for global competitiveness. Following Manufacturing sectors have been identified as Thrust Sectors:

S. No.	Sector	Sub-sectors
1	Green Energy ecosystem	Green Hydrogen/ Green Ammonia
		Electrolyser
		Renewable energy equipment
		Battery Storage
		Fuel Cells
2	Mobility	Aviation related manufacturing
		Electric Vehicles
		Auto or Auto Components
		Space related manufacturing
3	Capital Equipment	Electrical machinery and/or equipment
		Industrial Machinery and/or equipment
		Telecom related machinery and/or equipment
4	Metals and Minerals	Metals
		Mineral processing
		Ceramics
5	Textile & Apparel	Textile
		Technical Textiles
		Apparel & Garments
6	Sustainability	Municipal solid/liquid waste recycling equipment manufacturing
7	Agro Processing	Agro and Food Processing
8	Gems and Jewellery	Gems and Jewellery including Lab Grown Diamonds
9	Chemicals	Chemicals*
10	Healthcare	Pharmaceuticals and/or APIs*
		Medical devices

*As condition precedent, Chemical and Pharmaceutical Units as mentioned in S. No. 9, 10 above must have a captive Effluent Treatment Plant or must have access to a CETP

1.4 New Industrial Unit: A New Industrial Unit means a new industrial project set up by an industrial undertaking that has commenced the commercial production during the operative period of the scheme, provided it satisfies the following conditions:

- a. The new Industrial project/projects should have obtained a Letter of Intent or a Letter of Approval or should have filed Industrial Entrepreneur Memorandum (IEM) as prescribed by the Government of India, with the competent authority.
- b. The new Industrial project/projects should have separately identifiable fixed capital investment. However, the new project will not lose its eligibility, if the utilities of an existing project, such as for water, electricity, steam, gas, pollution control facilities etc. are utilized.

1.5 Industrial Complex: Industrial Complex means more than one new industrial unit set up for manufacturing of more than one product by an industrial undertaking at a single location. However, in case of Green Hydrogen related projects, manufacturing of more than one product at multiple locations within Gujarat will also be permissible.

1.6 Existing Industrial Unit: An Existing Industrial Unit means an industrial unit that is in production before initiating the expansion in the same premise. A new industrial unit set up under this policy that decides to carry out expansion during the operative period of the scheme will be termed as existing industrial unit in reference to the expansion.

1.7 Expansion: Expansion means where an existing industrial unit increases its investment in gross fixed capital by at least 50% of its existing project in the same premises, of which at least 60% of investment is made in plant and machinery and/or equipment, and also increases its installed capacity by at least 50% of existing product(s) for which expansion is carried out. Such expansion will be eligible only if the existing industrial unit has reached the utilization of existing installed capacity at least to the extent of 75% in any one of the preceding three financial years.

Such expansion unit should have separately identifiable fixed capital investment. However, the new industrial unit will not lose its eligibility, if the utilities of an existing project, such as for water, electricity, steam, gas, pollution control facilities etc. are utilized.

1.8 Installed Capacity: Installed Capacity means the optimum production capacity of the plant which is undergoing expansion. The installed capacity as mentioned in the appraisal report prepared by a bank or financial institution will be considered as the installed capacity. Where no such appraisal is available, the production capacity as worked out by the Industries Commissioner, or by an officer authorized by him, will be considered as the installed capacity.

1.9 Gross Fixed Capital Investment (GFCI):

1.9.1 Gross Fixed Capital Investment means the investment made in land, building, plant and machinery, utilities, tools and equipment, and other fixed assets required to manufacture the end product.

1.9.2 Assets acquired and paid for during eligible investment period of the project under this scheme shall be considered for determining the gross fixed capital investment.

1.10 **Eligible Fixed Capital Investment (EFCI):** Eligible Fixed Capital Investment means following investment made on or after the date of issue of this GR and upto the last date of eligible investment period as per para 3 of this G.R.

Provided that, mega industrial units opting /applying under this scheme as per clause 17.2 or clause 17.3 of this scheme, the investment made during the operative period of previous scheme till the date of issue of this GR shall also be considered for calculating eligible FCI.

A. **New Building:** A New Building means a new building constructed, or the acquisition of a new and unused building, for the project, including administrative building. The cost of a new building shall be calculated as per the actual cost or the Schedule of Rates (SOR) of the relevant year of the R&B department of the State Government, whichever is lower.

The cost of new buildings constructed for installation of plant and machinery, R&D activities, in-house testing facilities, storage facilities, and other buildings related to the manufacturing process, shall be considered as per the actual expenditure incurred.

Building acquired under lease or on rental basis, except GIDC sheds, will not be considered as eligible fixed capital investment. No cost incurred on acquisition of old building, or the expenditure incurred on repairing a building, will be considered as eligible fixed capital investment.

B. **Other Construction:** Other construction means construction such as compound wall and gates, security cabins, internal roads, bore well, water tank, internal pipeline network for water and gas, and other related constructions.

C. **Plant and Machinery:** Plant and machinery means new plant and machinery, and imported second hand plant and machinery having usable life for at least further ten years which is duly certified by Chartered Engineer, utilities, dies and moulds, including cost of transportation, foundation, erection, installation and electrification,

capitalized under the head of plant and machinery. The electrification cost will include the cost of sub-station and transformer installed by the industrial unit.

Plant and machinery shall include:

- i. Plant for captive power generation
- ii. Vehicles used for transportation only within the premises of the industrial unit, and material handling equipment exclusively used in transporting goods within such premises;
- iii. Plant for desalination of sea water or purification of water;
- iv. Plant for pollution control measures, including facility for collection, treatment, disposal of effluent or solid/hazardous waste;
- v. Technology, Design and Drawings, Patents: The cost incurred in acquiring technology, design and drawings, patents, limited to 10% of the GFCI.
- vi. Provided that Diesel Generating sets of capacity not more than 50% of the connected electric load or 25 MW, whichever is less shall also be included as Plant and Machinery.

D. **Project related infrastructure:** Fixed capital investment made in the following assets/items will be considered as project related infrastructure. Direct expenditure incurred for the following items will also be considered to determine the eligibility under this head:

- a. Residential colony/ dormitory housing facilities, hospital, school or sports facilities created for workers and staff of the industrial unit;
- b. Feeder road to the industrial unit from the nearest approach road;
- c. Dedicated facilities created for carrying water, gas, raw material required by the project through pipeline;
- d. Non-refundable deposit paid to Electricity Company for transmission of electricity from the nearest sub-station;
- e. Expenditure on electronic telephone exchange and laying of telecommunication cables;
- f. Construction of building for bank or post office, if provided by the unit without any charge;
- g. Training Centre to train local people for employment in the project and Skill Development Centre;



- h. Expenditure on transport facilities, such as buses, for conveyance of workers from nearby villages/ towns to the factory premises.

Of the investment in the above stated infrastructure, or any other item of infrastructure as approved by the committee, the expenditure up to 20% thereof only shall be considered for inclusion in the final eligible fixed capital investment.

1.11 Ineligible Capital Expenditure/ Assets: The following expenditure shall not be considered for calculating the eligible fixed capital investment:

- 1) Land and Land development cost.
- 2) Working capital
- 3) Goodwill
- 4) Royalty
- 5) Preliminary and pre-operative expenses
- 6) Indigenous secondhand plant and machinery
- 7) Interest capitalized
- 8) Power generation, except for captive use.
- 9) Rented or leased property

1.12 Term Loan: Term loan means loan sanctioned by the financial institutions / Banks / External commercial borrowings sanctioned by overseas institutions / Consortium of financial institutions for the setting up of project by the industrial undertaking. However, only the amount actually disbursed against the sanctioned term loan will be considered for the incentives under the scheme.

1.13 Previous Scheme: Previous scheme means a Scheme for Capital Subsidy to Large Industries and Thrust Sector declared vide resolution MIS/102020/327024/I Dt. 01-09-2020

1.14 Net SGST: Net SGST to be considered for Reimbursement means that the eligible unit will be eligible to get reimbursement of SGST amount paid through cash ledger against the output liability of SGST on sale of eligible products. The eligible unit shall first have to utilize all the eligible ITC available in its Credit Ledger maintained on the common portal as specified under sub-rule (1) of the rule 86 of the Gujarat Goods and Services Tax Rules, 2017 including eligible ITC of IGST as provided under Section 49 of the GGST Act, 2017 as may

be amended from time to time, before adjusting the SGST amount through Cash Ledger

1.15 Date of Commercial Production (DoCP):

In case of new industrial unit, the DoCP shall be the date of first sale bill of the product(s) for which the project has been set up.

In case of expansion and/or diversification projects, the DoCP shall be the date of first sale bill of the product(s) being manufactured by the expansion and/or diversification project.

2. Eligibility:

2.1 A new industrial unit, or an existing industrial unit that undertakes expansion(s) to the extent that the new investment qualifies the definition of a Mega Industrial Unit and which commences commercial production during the operative period of the scheme will be eligible under the scheme.

2.2 A mega industrial unit that has availed any incentive for the same GFCI under any scheme of the state government, or any agency of the state government, shall not be eligible for incentive under this scheme, unless specifically provided.

2.3 While deciding the final eligibility of the project for the incentive, Gross fixed capital investment made in the project or the cost appraised by the bank(s) or financial institution(s), whichever is lower, will be considered.

3 Eligible Investment period:

3.1 In order to be eligible for incentive under this resolution, the Mega industrial unit must have commenced commercial production during the operative period of the scheme.

The consideration of investment period for eligible fixed capital investment will be, for the assets acquired and paid for from date of issue of this GR and during the extended time period from the date of commencement of commercial production as specified below:

1.	Gross fixed capital Investment upto 5,000 cr.	24 months from DOCP
2.	Gross fixed capital Investment upto 10,000 cr.	36 months from DOCP
3.	Gross fixed capital Investment upto 50,000 cr.	48 months from DOCP
4.	Gross fixed capital Investment upto 1,00,000 cr.	60 months from DOCP
5.	Gross fixed capital Investment upto 1,50,000 cr.	72 months from DOCP
6.	Gross fixed capital Investment above 1,50,000 cr.	96 months from DoCP

DOCP means Date of Commencement of Commercial Production



3.2 However, for mega industrial units opting /applying under this scheme as per clause 17.2 or clause 17.3 of this scheme, the assets acquired and paid for during the operative period of previous scheme till the date of issue of this GR shall also be considered for calculating eligible FCI.

4. Scheme 1: Assistance of Interest Subsidy

4.1 Quantum of Interest Subsidy:

Interest subsidy will be eligible at @7% on Term Loan subject to maximum of 1.2% of Eligible Fixed Capital Investment p.a. for 10 years

4.1.1 In any case, the industrial undertaking shall have to bear a minimum 2% interest levied on term loan by the financial institution. In case of multiple loans from same or multiple financial institutions, the industrial undertaking shall have to bear a minimum 2% interest on each of the term loans.

4.1.2 If the eligible unit is also availing interest subsidy from Government of India, the interest subsidy from the state shall be to the extent that the unit bears atleast 2% of the interest even after offsetting the interest subsidy from Government of India.

4.2 Conditions for Interest Subsidy:

4.2.1 New industrial unit and/or expansion project(s) will be eligible for interest subsidy. Interest subsidy will be eligible on disbursed loan amount for Eligible Fixed Capital Investment only.

4.2.2 The Mega industrial unit may apply for claim of interest subsidy after obtaining the Provisional Eligibility Certificate or Final Eligibility Certificate, as the case may be.

4.2.3 The Mega industrial unit shall opt for date of eligibility of interest subsidy either from the date of first disbursement of loan or from the date of commencement of commercial production. However, the interest subsidy will be disbursed only after the date of commencement of commercial production.

4.2.4 The entire disbursed amount of term loan within eligible investment period as defined in Para 3 above, will be eligible for interest subsidy. However, in cases where the term loan(s) are availed from multiple financial institutions, the date of first disbursement of term loan will be the earliest date of first disbursement of loan.

4.2.5 The interest subsidy will be reimbursed only on interest levied by the financial institution. Penal interest or other charges will not be considered as interest.

4.2.6 Interest subsidy will be disbursed only to the Mega industrial unit which pays regular instalments and interest to the bank/financial institution. If the undertaking becomes defaulter, it will not be eligible for interest subsidy for the default period, and such default period will be deducted from the period eligible for interest subsidy. The default will be determined as per the RBI guidelines.

5. Scheme 2: Net SGST reimbursement:

5.1 Quantum of incentive

The eligible projects will be eligible for reimbursement of net SGST at 100% of net SGST subject to maximum 0.9% of eFCI p.a. for 20 years.

5.1.1 The eligible period of 20 years shall be from the date of commencement of commercial production.

5.2 Conditions for Net SGST:

5.2.1 **Separate registration by eligible unit under GST:** Eligible unit may obtain a separate registration under GST Act for manufacturing of eligible products only. The eligible unit shall have to obtain a separate registration for manufacturing of eligible product(s), if the unit carries out trading activity or is engaged in provision of any services apart from manufacturing.

5.2.2 In case an industrial undertaking has multiple industrial projects, it shall have to maintain separate books of accounts for the Mega industrial unit applying under this scheme and get the same certified by a Chartered Accountant.

5.2.3 Incentives shall be allowed only for goods manufactured in the premises of eligible unit and not on the resale of goods.

5.2.4 If the eligible unit has shown its inter-State sales as intra-State sales through intermediary/ marketing network/ or any other middle man, either directly or indirectly controlled by it, in order to get higher incentives then the eligibility certificate of the eligible unit shall be liable to be cancelled with effect from the date of such contravention, and the eligible unit shall be liable to return forthwith the incentives availed together with interest at the rate of eighteen per cent per annum from the date of first availment of such incentive.

5.2.5 The eligible unit shall submit its claim to Industries Commissioner in the prescribed proforma duly certified by a Chartered Accountant. The proforma shall include a declaration by the eligible unit stating that it has not shown its

inter-state sales as intra-state sales through intermediary either directly or indirectly controlled by it in order to get higher incentives

5.2.6 Reimbursement shall be made by the Industries Commissioner on a quarterly basis.

6. Scheme 3: Reimbursement of SGST paid on capital goods

6.1 Quantum of incentive

Eligible Mega industrial unit will be eligible for 100% reimbursement of SGST paid on capital goods within the investment period, to the extent input tax credit is admissible under Gujarat GST Act 2017.

6.2 Conditions for SGST reimbursement on capital goods

- a. Capital goods acquired and paid for after the date of issue of GR upto the extended period as defined in para 3 of this scheme shall be considered for determining the input SGST reimbursement.
- b. The reimbursement shall be provided after one year from the commencement of commercial production, in twenty equal annual instalments.

7. Scheme 4: EPF Reimbursement

7.1 Quantum of incentive

Eligible Mega industrial unit shall be able to claim reimbursement of employer's contribution under Employees' Provident Fund (EPF) made by them for their new employees working in Gujarat for a maximum period of 10 years from the date of commencement of commercial production. The reimbursement shall be made subject to following criteria:

- a. 100% of employer's statutory contribution under EPF amount paid, and
- b. The ceiling of incentive amount per employee will be 12% of the employee's basic salary plus applicable Dearness Allowance (DA) and retaining allowance or INR 1800 per month, whichever is lower

7.2 Conditions for EPF Reimbursement:

7.2.1 For eligible expansion Mega industrial units, the assistance will be available for incremental employee count beyond the count that existed before undertaking expansion, and



- 7.2.2 New Employee means such employee who did not have a Universal Account Number (UAN) prior to joining the Eligible Mega industrial unit and joins the eligible Mega industrial unit during the operative period of the scheme
- 7.2.3 The reimbursement shall be done on a quarterly basis based on payment receipts submitted by the employer, and
- 7.2.4 An eligible Mega Industrial unit that has availed EPF reimbursement under any scheme of the central / state government, or any agency of the central/ state government, shall not be eligible for EPF incentive under this scheme for that period.

8. Scheme 5: Reimbursement of Stamp Duty and registration fees

8.1 Quantum of incentive

Eligible Mega industrial units shall be eligible to claim 100% reimbursement of stamp duty and registration charges paid to Government of Gujarat for purchase and/or lease of land meant for the project.

8.2 Conditions for reimbursement of Stamp Duty and registration fees

- a. Reimbursed Stamp Duty and Reimbursed Registration Charges shall not be included as part of Eligible Fixed Capital Investment
- b. Reimbursement of Stamp Duty/ Registration fees shall be made only after the commencement of commercial production.
- c. Reimbursement Stamp Duty/ Registration fees shall be applicable only on the land purchased and/or leased during the eligible investment period.

9. Electricity Duty: Mega industrial units shall be eligible to receive exemption from Electricity Duty as applicable under the Gujarat Electricity Act, 2003.

10. Application for Registration:

A Mega industrial unit eligible for incentive under this GR shall have to submit the application for registration within one year from the date of first disbursement of term loan or one year from the date of commencement of commercial production or one year from the date of issue of this GR, whichever is later. In any case, the application for registration shall have to be made before the last date of the operative period of this scheme. The application has to be made to the Industries Commissioner in the prescribed format alongwith the following documents, as applicable:



- a. Document of registration of the Mega industrial unit or expansion, as applicable under law, and the Industrial Entrepreneur Memorandum, as prescribed by Government of India.
- b. Documents related to legal possession of land with valid non-- agriculture permission for industrial use, and registered purchase / Lease/Rent deed. If the plot or shed is in GIDC estate, a copy of possession letter should be attached.
- c. Consent to Establish from GPCB, if applicable.
- d. Detailed Project Report.
- e. Term loan sanction letter from financial institution (s), if applicable.

On receipt of the application and after the scrutiny and verification of relevant documents, the Industries Commissioner will put up the application before Registration Authority as per 12.1.


The Registration Authority will approve the registration of the application for eligibility on the basis of Eligibility Criteria as set out above.

The Industries Commissionerate will issue registration certificate to the applicant after the approval of the Registration Authority.

A project having registration will have to commence commercial production during the operative period of the scheme.

11. Application for Provisional/Final Eligibility Certificate:

- 11.1** After commencement of commercial production, the Mega industrial unit, having registration shall submit an application for provisional eligibility certificate within one year from the date of commercial production or within one year from the date of issuance of registration certificate or within one year from the date of issue of this G.R., whichever is later.
- 11.2** If entire investment gets completed as on the date of commercial production, Mega industrial unit may apply directly for final eligibility certificate instead of provisional eligibility certificate.
- 11.3** If entire investment gets completed within eligible investment period, Mega industrial unit may either apply for provisional eligibility certificate or directly apply for final eligibility certificate with requisite details within time limit as specified at (11.1) above.

	
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11.4 If entire investment is not completed within eligible investment period, the Mega industrial unit will have to submit application for final eligibility certificate within one year from the last date of eligible investment period.

11.5 The Mega industrial unit submitting application for Provisional Eligibility certificate or Final eligibility certificate after the time limit prescribed, shall be subject to deduction of delayed period beyond the eligible period as defined in 11.4 above from the eligible incentive period.

11.6 On receipt of the application for provisional eligibility certificate, the application would be scrutinized and the provisional eligibility certificate for assistance for interest subsidy and/or Net SGST will be issued based on the certificate of Chartered Accountant and Chartered Engineer for the eligible investment made and work completed till the date of commercial production. The authority to issue Provisional Eligibility Certificate will be Industries Commissioner for GFCI upto Rs 5000 crores and ACS/PS IMD for GFCI above Rs 5000 crores.

11.7 On receipt of the application for final eligibility certificate, the Industries Commissioner will scrutinize and constitute an Asset Verification team to verify the investment details. The final entitlement of assistance will be calculated based on assets verification report. The Asset Verification report of the team shall be placed before the sanctioning authority for final sanction of assistance

11.8 The Final Eligibility of assistance shall be approved by the sanctioning authority. Thereafter, the final eligibility certificate for availing assistance shall be issued by the Industries Commissioner.

12. Procedure for claim of assistance

A Mega industrial unit shall submit the claim application for assistance, at the interval of every 3 months, to Industries Commissioner in prescribed Pro forma. The detailed procedure and guidelines will be separately issued by Industries Commissioner in consultation with the Government.

13. Registration and Sanctioning Authorities

13.1 Registration:

The authority empowered to register a Mega industrial unit under this scheme shall be with the following committee:

1.	Chief Secretary	Member
2.	ACS/ PS Finance	Member
3.	ACS/ PS Industries and Mines Dept.	Member

4.	ACS/ PS Forest & Environment Dept.	Member
5.	ACS PS Labour & Employment Dept.	Member
6.	ACS PS Energy & Petrochemicals Dept.	Member
7.	ACS/ PS Revenue Dept.	Member
8.	Industries Commissioner	Member Secretary

13.2 Sanctioning Authorities for Final Eligibility Certificate

1.	Hon'ble Chief Minister	Chairperson
2.	Hon'ble Minister of Finance	Member
3.	Hon'ble Minister of Industries	Member
4.	Chief Secretary	Member
5.	ACS/ PS Finance	Member
6.	ACS/ PS Industries and Mines Dept.	Member
7.	ACS/ PS Forest & Environment Dept.	Member
8.	ACS PS Labour & Employment Dept.	Member
9.	ACS PS Energy & Petrochemicals Dept.	Member
10.	ACS/ PS Revenue Dept.	Member
11.	Industries Commissioner	Member Secretary

13.3 Chief Minister's Cabinet Committee for Industrial Promotion & Monitoring (CCCIPM)

Under special circumstances, in the event of need as may arise in a particular case or cases, or for certain categories like relocations of projects in the state from other countries regarded as priority, the Chief Minister's Cabinet Committee for Industrial Promotion & Monitoring (CCCIPM), formed under I&MD GR No. IND-102015-66447-I dated 21/02/ 2015, may sanction customized package or make suitable changes in the terms and conditions of the incentives and/or may sanction additional incentives than that provided under this scheme.

14. Change in item of production or addition of items: The Mega industrial unit will be allowed to add new product(s) or change any of its products from within thrust sectors using the existing plant & machinery with or without

modification/addition/alteration etc., during the period of availment of incentive granted to it under this scheme, subject to approval of Sanctioning Authority.

15. Exercising of option: Notwithstanding the provisions contained in other schemes of the State Government, a Mega industrial unit eligible under this scheme or any other sector specific incentive scheme of the State Government, may opt for either of the incentive schemes.

16. Interpretation: Any dispute or difference of opinion regarding the interpretation of the provisions of this resolution shall be referred to the Committee constituted under Chairmanship of Hon'ble Chief Minister as per para 13.2 of this resolution, and the decision shall be final and binding to all.

17. Option for availing incentives under this scheme or previous scheme:

17.1 Mega Industrial units that have commenced commercial production before the date of issue of this GR, whether applied under the previous scheme or not, shall continue under the previous scheme. Such Mega industrial units shall have to submit the application under the previous scheme within 6 months from the date of issue of this GR.

17.2 Mega Industrial units that have applied under previous scheme but not commenced commercial production before the date of issue of this GR shall have an option to either continue under the previous scheme or opt under this scheme. Such option will have to be exercised within a period of 6 months from the date of issue of this GRs

If such Mega industrial unit does not exercise the option within the prescribed time period of 6 months from the date of issue of this GR, it shall be deemed that the Mega industrial unit has opted to continue under the previous scheme.

17.3 After the date of issue of this GR, all new applications of Mega Industrial units that have not commenced commercial production as on date of issue of this GR, shall be considered only under this scheme.

17.4 After the issue of this GR, the Sanctioning Authority shall not disburse capital subsidy under the previous scheme to eligible Mega industrial units which have commenced commercial production after the date of issue of this GR, unless the said Mega industrial unit exercises its option for either of the scheme (within 6 months of issue of this GR), or is deemed to have opted for the previous scheme at the end of 6 months from the date of issue of this GR.



18. Other Conditions:

The incentives granted under the scheme shall be subject to the following conditions:

- 18.1 The Mega industrial unit shall be required to employ persons domiciled in Gujarat to the extent of at least 85% of its total number of employees in all categories. The employment of persons domiciled in Gujarat in managerial and supervisory capacity shall not be less than 60% of the number of persons employed by the Mega industrial unit in managerial and supervisory capacity.
- 18.2 After completion of three years from the last date of eligible investment period, the production per annum from fourth year onwards should be atleast 50% of installed capacity. For the year when such production is less than 50% of the installed capacity, the incentive amount for such year will be reduced proportionately to the percentage of total eligible incentive for that particular year. E.g. If the production of a unit is 45% in a particular year (i.e. 10% less than minimum required capacity of 50%), the incentive amount in that year shall also be reduced by 10% of the eligible incentives of that year.
- 18.3 The Mega industrial unit shall have to submit applicable certificate from GPCB to the Industries Commissioner.
- 18.4 The Mega industrial unit may avail incentives under any scheme of Central Government. However, the total incentives received from state and central government scheme should not exceed the Eligible Fixed Capital Investment.
- 18.5 Any investment made by an existing Mega industrial unit for renovation, modernization, rehabilitation, or rationalization will not be eligible for incentive under this resolution.
- 18.6 A Mega industrial unit that has availed incentive under this scheme shall be required to remain in production continuously till the expiry of the eligible period of incentive. However, if production is discontinued for specific period due to reasons beyond the control of the management, the sanctioning authority may condone the period for which production is discontinued after due verification of details and reasons of discontinuation of production and after satisfying itself to the same.
- 18.7 Multiple projects for same product within same premise shall be treated as a single project.
- 18.8 The Mega industrial unit shall furnish to the Industries Commissioner/General Manager District Industries Centre information regarding production and employment for each financial year within 90 days of the close of the financial year. It shall also furnish information on such other matters that the state government may require from time to time.



18.9 In case of breach of any one or more of the conditions of this GR, the incentives disbursed under the scheme shall be liable to be recovered as an arrear of land revenue or in any other appropriate manner the government may deem fit along with interest at the rate of eighteen per cent per annum from the date of first availment of such incentive. Further, the non-disbursed incentive amount due to the eligible unit shall also be liable to be forfeited.

18.10 The Industries Commissioner may separately issue guidelines for the implementation of the scheme in consultation with the Government.

18.11 The eligibility conditions of Mega Industrial Undertaking as defined shall be verified before disbursement of each claim.

19. Budget Provisions:

The expenditure under the scheme will be met from the sanctioned grant of the respective financial year under the following budget head:

Demand Number: 49

Major head: 2852 Industries

Minor head: 800 Other expenditure

Sub Head: 36 Assistance to Large Industries

This issues with the concurrence dated 4/10/2022 of Finance Department received on the file of even number.

By order and in the name of the Governor of Gujarat.

B. S. Mehta
(B. S. Mehta)

Joint Secretary

Industries and Mines Department

Copy to:

1. Secretary to Hon'ble Governor of Gujarat*
2. Additional Chief Secretary/ Principal Secretary to Hon'ble Chief Minister
3. Personal Secretary to all Hon'ble Ministers
4. Advisor to Hon'ble Chief Minister
5. Secretary to Chief Secretary
6. Additional Chief Secretary, Finance Department
7. PS to Additional Chief Secretary, Industries and Mines Department
8. V.C & M.D., G.I.D.C., Gandhinagar
9. Industries Commissioner, Gandhinagar
10. C.E.O., GIDB, Gandhinagar
11. Accountant General Rajkot/ Ahmedabad
12. Computer Cell, Industries and Mines Department
13. Select file